

(Washington, D.C.) Congressman Tim Ryan today asked House Speaker Nancy Pelosi and House Majority Leader Steny Hoyer “to provide additional financial assistance for the U.S. auto industry.” This comes in response to a steep slowdown in auto sales, pending layoffs at Lordstown and other auto plants around the nation, and the credit limits faced by suppliers and dealers. The text of the letter follows:

□

□

November 7, 2008

The Honorable Nancy Pelosi

The Honorable Steny Hoyer

Speaker of the House of Representatives
Representatives

Maj. Leader, House of

H-232, United States Capitol

H-107, United States Capitol

Washington, DC 20515

Washington, DC 20515

Dear Madame Speaker and Democratic Leader Hoyer:

Thank you for your continued work to ensure stability and stimulate growth in our domestic auto industry. As you know, approximately 5 million jobs and the American economy at large depend on the U.S. auto industry.

Unfortunately, the U.S. auto industry has been especially hard hit by the credit crisis. Carmakers can't get credit to complete their restructurings and put new advanced technology vehicles into production. Customers can't get credit for new cars and other purchases, and consumer confidence has fallen to an all-time low. Suppliers are losing business and can't get credit to keep them afloat until the industry recovers. Dealers can't get credit to finance inventory and other routine business needs.

On Friday, General Motors, which employs approximately 5,400 employees at the GM Lordstown Assembly plant and GM Lordstown Metal Fabricating plant in my congressional district and indirectly supports thousands more employees in the region, reported a net loss of \$2.54 billion for the third quarter. As a consequence, the automaker has announced that 1,060 workers at those plants will be laid off.

Put simply, without immediate government intervention, GM's cash position will not be enough to keep the company going through next year. The collapse of GM or other major automakers would result in a devastating economic and competitive scenario for the nation.

As we move forward with an economic stimulus package when Congress returns in November, I respectfully urge you to provide additional financial assistance for the U.S. auto industry. Such assistance will allow GM to continue its development of advanced fuel efficient cars and ensure that advanced vehicle batteries and battery systems are developed and produced in the United States.

I look forward to continuing to work with you to ensure the long term health of the American automotive sector.

Sincerely,

Tim Ryan

Member of Congress